

Press Release

Sommani Alucore India Private Limited

March 09, 2020



Rating Update

| | |
|-------------------------------------|---|
| Total Bank Facilities Rated* | Rs. 7.20 Cr. # |
| Long Term Rating | ACUITE B- (Downgraded from ACUITE B/ Stable) Issuer not co-operating* |

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

Acuité has downgraded the long term rating to '**ACUITE B-**' (**read as ACUITE B minus**) from '**ACUITE B**' (**read as ACUITE B**) of Sommani Alucore Private Limited (SAPL). This rating is now an indicative rating and is downgraded on account of information risk.

SAPL was incorporated on 16 October, 2017 and has its operations located in Ahmedabad (Gujarat). The company is expected to manufacture Aluminum Composite Panels and the commercial operations were expected to begin from April, 2019. The company is promoted by Mr. Pankaj Prajapati and Mr. Kamlesh Prajapati along with their father, Mr. Somabhai Prajapati. The company has plans to do business in the states of Maharashtra, Gujarat and a few more. The expected installed capacity is 130 lakh sq. feet and average utilisation is expected to be 20 percent in the first year of operations. The management plans to utilise 5 percent incrementally with each passing year and currently have only 6 employees. They also plan to use photovoltaic plants for reducing power costs.

Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr.) | Ratings/Outlook |
|-------------|---------------------------------|-----------|------------------|-----------------------------|
| 04-Jan-2020 | Proposed Cash Credit | Long Term | 2.50 | ACUITE B/ Stable (Assigned) |
| | Proposed Term Loan | Long Term | 2.50 | ACUITE B/ Stable (Assigned) |
| | Proposed Bank Facility | Long Term | 2.20 | ACUITE B/ Stable (Assigned) |

#Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings |
|------------------------|------------------|----------------|----------------|-----------------------------|--|
| Proposed Cash Credit | Not Applicable | Not Applicable | Not Applicable | 2.50 | ACUITE B- (Downgraded from ACUITE B/ Stable) Issuer not co-operating* |
| Proposed Term Loan | Not Applicable | Not Applicable | Not Applicable | 2.50 | ACUITE B- (Downgraded from ACUITE B/ Stable) Issuer not co-operating* |
| Proposed Bank Facility | Not Applicable | Not Applicable | Not Applicable | 2.20 | ACUITE B- (Downgraded from ACUITE B/ Stable) Issuer not co-operating* |

*The issuer did not co-operate; Based on best available information.

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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